

AUG 8 2012

Federal Communications Commission
Office of the Secretary**Mark Nadel**

From: Susan.Tenkhoﬀ@k12.wa.us
Sent: Wednesday, August 08, 2012 5:52 PM
To: Mark Nadel
Cc: rebekah.ohara@cts.wa.gov
Subject: Washington State DIS FCC appeals - fund year 2009
Attachments: clarifying info for FCC appeals (apps 676418 and 689914).docx

CC Docket
No. 02-6

Mark:

I'd like to submit the attached information in support of Washington State DIS' Requests for Review of fund year 2009 applications (Forms 471 #676418 and #689914).

I have been working with the applicant (now named 'Consolidated Technology Services'), and believe that by providing additional clarification regarding the exact nature of the administrative/clerical error that led to the appeal, the FCC will be able to move forward with approving the requests.

Please review the attached, and let me know if there is any additional information that I can provide, or if you have any questions at all.

Thank you for your time and consideration. We look forward to the speedy resolution to this long-standing issue.

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8/9/2012

Mr. Mark Nadel
Telecommunications Access Policy Division
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W., Room 5-B551
Washington, D.C. 20554

Mr. Nadel:

The Washington Department of Information Services (DIS, BEN 146724) posted FCC Form 470 #102640000492358 on 01/07/2004. This was the establishing 470 for contract T89-OTH-034-L for Centrex services. The initial term of this contract was 60 months (12/16/04 – 12/15/09), with the option to extend for up to two additional years (12/16/09 – 12/15/11).

In January, 2009, as DIS was preparing to apply for the upcoming funding year, it came to light that the initial term for contract T89-OTH-034-L would end during the funding year (12/15/09). While the initial 470, procurement, and contract all allowed for the extension of the contract by two years, DIS was unsure whether or not those optional extensions would be taken. Even if DIS elected to exercise the optional extensions, there was some concern regarding whether or not the extensions would be signed prior to the close of the application window.

As a result, DIS posted two new Forms 470:

1. 169650000722461, posted 1/9/09 (ACD 2/6/09) for a multi-year contract for Centrex services
2. 508350000724665, posted 1/13/09 (ACD 2/10/09) for month-to-month/tariff Centrex services

With the posting of these new Forms 470, DIS alerted the vendor community to their interest in procuring these services for the funding year, either on a month-to-month basis (if the voluntary extension was not taken, and a new contract was not executed), or on a contracted basis (if a new, multi-year contract was awarded).

When the time came to apply for e-rate for the upcoming funding year (applications 676418 and 689914 were submitted on 2/12/09), an administrative error led to the inclusion of the expiration date of the initial term (12/16/09). These services were NOT to cease in December, and were to continue through the end of the funding year.

The specific administrative error in question was that the employee who completed Block 5 of the FCC Form 471 entered the correct monthly recurring charges, but mistakenly entered the contract expiration date of 12/16/09. She believed this to be the 'most accurate' way to convey the contract expiration date as of 2/12/09. She was under the impression that the remainder of the funding year would be covered at the requested monthly recurring amount.

She was not aware that the USAC system would automatically calculate the months of service requested based on this date. Having applied for e-rate for many years prior to 2009, she had always entered the monthly recurring charges, and that had led to full funding for the year.

This minor administrative error was compounded when the employee completed the online Item 21 Attachment. Using the USAC system, the employee logged in, selected the FRNs to be completed, and the system populated the basics of the FRNs, based on the Block 5 submissions. The applicant then selected the type of service, monthly, and non-recurring charges. The USAC system automatically calculated the months of service based on the administrative error in the Block 5 submission. As a result, the minor error in Block 5 was automatically imported to the Item 21 Attachment with no direct input by the applicant.

So, while the monthly recurring charges requested were accurate, and the FRNs submitted were accurate for the period from 7/1/09 – 12/15/09, the services to be procured from 12/16/09 – 6/30/10 should have been included as well.

As a result of multiple personnel changes, coupled with the complexity of telecommunications contracting at the statewide level, this administrative error was made. It was an unfortunate mistake, but one for which we believe that the eligible schools and libraries should not have to pay.

Based on the narrative above, along with the supporting 470s and contract, DIS would like to reiterate their request that the FCC allow this administrative error to be corrected.

DIS requests that the following FRNs be included, and provided to USAC for review and approval:

APPLICATION 676418

12	Form 470	508350000724665
13	SPIN	143005231
14	Service Provider Name	Qwest Corporation
15a	Non-Contracted Tariff/MTM	T
15b	Contract Number	blank
16a	Acct #	360-753-5000
17	Allowable Contract Date	02/10/2009
18	Contract Award Date	blank
19a	Service Start Date	12/16/2009
19b	End Date	06/30/2010
20	Exp Date	blank
21	Attachment #	C
22	Block 4 Wksht	1096149
23a	Monthly Charges	\$ 26,612.11
23b	Ineligible Monthly Amt	\$ -
23c	Eligible Monthly Amt	\$ 26,612.11
23d	Months of Service	7
23e	Annual Recurring Pre-Discount	\$ 186,284.77
23f	Annual Non-Recurring	\$ -
23g	Ineligible Non-Recurring	\$ -
23h	Eligible Non-Recurring	\$ -
23i	Total Pre-Discount	\$ 186,284.77
23j	% discount	65%
23k	Funding Request	\$ 121,085.10

APPLICATION 689914

12	Form 470	508350000724665
13	SPIN	143005231
14	Service Provider Name	Qwest Corporation
15a	Non-Contracted Tariff/MTM	T
15b	Contract Number	blank
16a	Acct #	360-753-5000
17	Allowable Contract Date	02/10/2009
18	Contract Award Date	blank
19a	Service Start Date	12/16/2009
19b	End Date	06/30/2010
20	Exp Date	blank
21	Attachment #	C
22	Block 4 Wksht	1127552
23a	Monthly Charges	\$ 1,899.00
23b	Ineligible Monthly Amt	\$ -
23c	Eligible Monthly Amt	\$ 1,899.00
23d	Months of Service	7
23e	Annual Recurring Pre-Discount	\$ 13,293.00
23f	Annual Non-Recurring	\$ -
23g	Ineligible Non-Recurring	\$ -
23h	Eligible Non-Recurring	\$ -
23i	Total Pre-Discount	\$ 13,293.00
23j	% discount	90%
23k	Funding Request	\$ 11,963.70

Thank you again for your time and understanding in this complex issue.

susan tenkhoff
360.725.5103